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Table of Revisions

Revision Date	Revision Details

Calculations:

This report refers to a percentage point (pp) increase or decrease, which means the absolute change between two percentages e.g., the proportion of 16-19-year-olds participating increased by x pp. Calculating percentage point differences from the data presented in the report may differ slightly from figures cited in the text, due to rounding. Similarly, percentages within this report may not sum to 100%, due to rounding.

Accompanying Resources

Background data tables are available in excel format within the APM supplementary tables on the SDS website.

SDS has created an interactive Power BI report to complement this publication using APM data from 2016 to 2025.

Background notes that provide an overview of the Annual Participation Measure methodology and data are available on the APM webpage.

Executive Summary (including headline statistics)

The Annual Participation Measure (APM) reports on the education and employment activity of 16–19-year-olds in Scotland and is the source of the Scottish Government's National Performance indicator "Percentage of young adults (16–19-year-olds) participating in education, training, or employment".

In 2025, this national indicator stood at 93.3% compared to 92.7% in 2024.

The APM is based on the shared dataset managed by SDS, which includes data from Scotland's thirty-two local authorities, Scottish Colleges, the Students Award Agency Scotland (SAAS), the Department for Work and Pensions (DWP), and the Scottish Funding Council. This dataset is stored on SDS's Customer Support System (CSS) which is used by SDS advisers to deliver careers information, advice and guidance services and is shared with partners through the 16+participation portal.

From January 2025, HM Revenue & Customs (HMRC) has shared data with SDS for statistical purposes, providing employment records for 16–24-year-olds in Scotland. This data covered the whole period of interest from 1 April 2024 to 31 March 2025 and was merged with the CSS dataset to produce the final APM 2025 dataset. HMRC data is not within the APM dataset prior to 2025.

The methodology change introduced in the APM 2025 has enhanced data quality, reducing those with an unconfirmed status. The inclusion of HMRC data will have contributed towards an increase in the number of 16–19-year-olds reported as participating in employment and the overall participation rate. This creates a step change in the time series and whilst comparisons to previous years are included in this report, they should be interpreted with caution due to the impact of these methodological improvements.



228,163

16–19-year-olds in the 2025 Annual Participation measure

This is 6,038 individuals more than the 2024 APM

323

93.3%

of 16–19-year-olds were **participating** in education, employment, or training

92.7% in 2024*

Education

Employment

Training & Development



70.5%



20.7%



2.2%

71.2% in 2024*

19.6% in 2024*

1.9% in 2024*



3.9%

were **not participating**; those unemployed seeking or not seeking

3.7% in 2024*

Unemployed Seeking

(1)

2.0%

1

1.9%

1.8% in 2024*

1.9% in 2024*

Unemployed Not Seeking



2.8%

with an **unconfirmed** status. With 47% aged 19 years old

3.6% in 2024*

^{*}The 2025 dataset includes HMRC data not available in 2024 and previous years.

Participation by Age

- In 2025, participation was highest amongst 16-year-olds (99.0%) and lowest amongst 19-year-olds (87.4%). This pattern is consistent with previous years.
 - o In 2025, the participation rate for 16-year-olds was 99.0% compared to 99.1% in 2024.
 - o In 2025, the participation rate for 17-year-olds was 95.3% compared to 95.5% in 2024.
 - In 2025, the participation rate for 18-year-olds was 91.0% compared to 90.4% in 2024.
 - In 2025, the participation rate for 19-year-olds was 87.4% compared to 85.3% in 2024.

Geography

- In 2025, the Shetland Islands had the highest participation rate at 97.5% and Dundee City had the lowest participation rate at 91.3%.
- In 2025, twenty-one local authorities had a participation rate at or above the Scottish average, while the remaining eleven were below
- In 2025, the proportion of 16–19-year-olds from the 20% most deprived areas of Scotland who were participating was 88.8% compared to 97.2% for those from the 20% least deprived areas. The participation gap was 8.4 pp compared to 8.2 pp in 2024.

Equality Characteristics

• Females (93.9%) were more likely to participate than males (92.8%), resulting in a participation gap of 1.1 pp. In 2024 the gap was to 0.9 pp. The difference in participation was primarily driven by a higher rate of female participation in education (75.9% versus

- 65.3%). Males had a higher employment participation rate than females (24.9% versus 16.2%).
- The participation rate amongst Minority Ethnic groups (96.1%) remained higher than for those from a White ethnic group (93.1%). This difference was driven by a higher rate of participation in education (87.6% versus 68.8%).
- Those identified as disabled were less likely to participate (89.2%) than those not identified as disabled (93.5%). Consistent with previous years, individuals identified as disabled were less likely to be in employment or higher education compared to those not identified as disabled. The difference was most notable in higher education, with a gap of 11.6 pp (8.3% vs. 19.9%), and in employment, with a gap of 7.3 pp (13.8% vs. 21.1%).

Non-Participation

• Most of those unemployed seeking were 19 years old (47.3%), followed by 18-year-olds (30.9%). The majority of those unemployed and not seeking employment were 19 years old (39.3%), again followed by 18-year-olds (34.2%).

Unconfirmed

 The overall percentage of 16-19-year-olds with an unconfirmed status reduced by -0.8 pp. In comparison to 2024, the unconfirmed rate reduced across all age groups, with 19-year-olds seeing the largest reduction of -2.2 points. This reduction can be attributed to improved data quality brought about by the inclusion of HMRC employment data within 2025 APM dataset.

Introduction

The Annual Participation Measure (APM) reports on the education and employment activity of 16–19-year-olds in Scotland. It is the source of the Scottish Government's National Performance indicator "Percentage of young adults (16–19-year-olds) participating in education, training, or employment".

The data set used to produce the APM is managed by Skills Development Scotland (SDS) and combines data from a range of data sharing partners including local authorities, colleges, the Department for Work and Pensions (DWP) and SAAS, to enable more targeted and effective local support to be delivered.

The annual methodology takes account of all statuses for 16–19-year-olds in Scotland over one calendar year. For each of the 228,163 individuals included within the 2025 cohort (covering 1st April 2024 – 31st March 2025)¹, the headline participation classification (participating, not participating and unconfirmed) is based on the classification within which an individual spent the greatest number of days within the year.

This report covers approximately 93.5% of the National Records of Scotland's 2024 mid-year population estimate. The shared dataset does not hold full data for individuals educated at independent schools or at home, or those who moved to Scotland but had not yet engaged with SDS services. If a record was available, those educated at independent schools were excluded from the cohort. As a result, while the coverage is substantial, it does not represent the entire population of 16–19-year-olds in Scotland.

From January 2025, HM Revenue & Customs (HMRC) has shared data with SDS for statistical purposes, providing employment records for 16–24-year-olds in Scotland. This data covered the whole period of interest from 1 April 2024 to 31 March 2025 and was merged with the CSS dataset to produce the final APM 2025 dataset. HMRC data is not within the APM dataset prior to 2025.

HMRC data included employment start and end dates for each employment record for individuals between the ages of 16- and 24-year-old, residing in Scotland. The HMRC data included details of employment that began on or after 1 April 2024, as well as employment that started before this date and continued beyond it. To assess its impact, APM data was compared before and after the inclusion of HMRC records. The addition of HMRC data led to a 25.5% reduction in unconfirmed statuses, resulting in a 1.0 pp increase in the participation rate, a 1.2 pp increase in the employment rate and a 1.0 pp decrease in the rate of unconfirmed statuses compared to the APM 2025 dataset before HMRC data integration.

Prior to 2022, SDS did not receive Universal Credit data from DWP, limiting the ability to fully identify individuals out of work during those years. Additionally, the COVID-19 pandemic may have influenced the choices and opportunities available to young adults, affecting participation in 2021 and 2022. When making year-on-year comparisons, it is important to consider the combined impact of the pandemic, the absence of Universal Credit data before 2022, and the inclusion of HMRC employment data in 2025.

¹ To be included in the APM 2025 cohort an individual must be aged 16 to 19 on the 31^{st of} March 2025 and have a customer record on the Opportunities for All shared data set, held on the SDS Customer Support System (CSS),

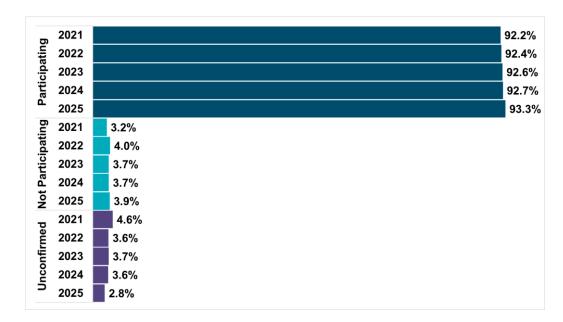
1. Annual Participation Measure Trends

There were 228,163 individuals aged 16-19 within the 2025 APM cohort, which was 6,038 more than the 2024 measure. Based on the National Records of Scotland 2024 mid-year population estimate, this report covers approximately 93.5% of the estimated population.

Chart 1 shows the headline participation percentages between 2021 and 2025. The results show the proportion of 16–19-year-olds:

- Participating in education, training, or employment in 2021 was 92.2% compared to 93.3% in 2025. In 2021, the percentage reported in employment was 15.5% compared to 20.7% in 2025. It is important to note the 2021 results were likely influenced by COVID-19, and the 2025 results include HMRC employment data not available in earlier years.
- Not Participating increased from 3.2% in 2021 to 4.0% in 2022 and has stayed below this rate since 2023. Between 2024 and 2025, the proportion of 16-19-year-olds who were unemployed and seeking work increased by 0.2 pp, while the proportion of those unemployed and not seeking remained stable. Among 19-year-olds, there was a 0.5 pp rise in unemployment and a 0.3 pp decrease in those not seeking.
- Unconfirmed statuses decreased from 4.6% to 2.8% between 2021 and 2025. This improvement is largely due to enhanced data quality, driven by the inclusion of Universal Credit data from 2022 onwards and HMRC employment data in 2025.

Chart 1: Annual Participation Headlines 2021 - 2025



Note to Readers:

SDS continues efforts to reduce the proportion of young adults with an unconfirmed status. From January 2025, HMRC has provided employment data to SDS for statistical purposes only. The data covered the full period of the 2025 APM, but not for previous years. This data helped identify individuals in employment and those who had left it, where a matching employment record was available. When making year-on-year comparisons, it is important to consider the absence of HMRC data in earlier years, particularly as its greatest impact was in identifying individuals as employed who would otherwise have been reported with an unconfirmed status.

Since late summer 2021, SDS has received monthly data from DWP on Universal Credit (UC) claimants, both in and out of work. This data has been included in the APM dataset since 2022. When comparing recent years with those prior to 2022, the absence of UC data in earlier years should be considered.

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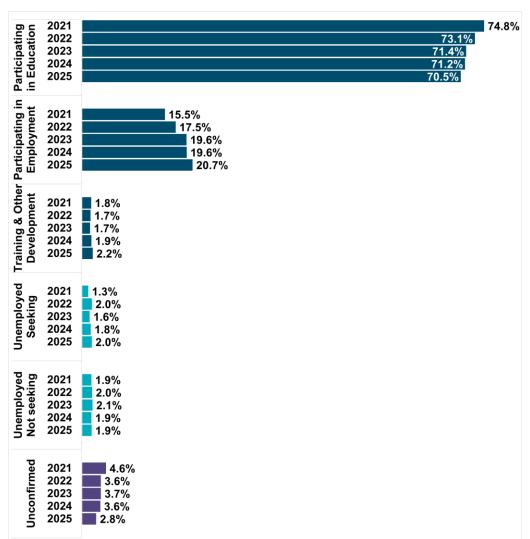
2. Annual Participation Measure by Status Grouping

Chart 2 provides a breakdown of the APM by status grouping. In 2025:

- In 2025, 70.5% of 16–19-year-olds were in secondary or tertiary education compared to 71.2% in 2024. School pupils made up 40.8% compared to 41.1%, higher education accounted for 19.3% versus 19.7%, and further education was 10.3% compared to 10.4%.
- 20.7% of 16–19-year-olds were in employment compared to 19.6% in 2024. This rise was influenced by the inclusion of HMRC employment data.
- 2.2% of 16–19-year-olds were in training and other development in 2025 compared to 1.9% in 2024.
- In 2025, 94.7% of 16-year-olds were in education, consistent with the rate in 2024. The majority (89%) were in a school pupil status, a slight decrease from 89.1% in the previous year.
- In 2025, 77.1% of 17-year-olds were in education compared to 77.6% in 2024. The majority (60.1%) were in a school pupil status, compared to 60.7% the previous year.
- In 2025, 49.1% of 18-year-olds were reported in higher or further education, while 29.5% were in employment. This compares to 2024 figures of 49.7% in higher or further education and 28.3% in employment.
- In 2025, 49% of 19-year-olds were reported in higher or further education, while 36.7% were in employment. This compares to 2024 figures of 50.8% in higher or further education and 32.8%

in employment. The rise in employment participation was influenced by the inclusion of HMRC employment data.

Chart 2: Annual Participation Groups 2021 - 2025



3. Equalities

SDS has a legal duty, under the Equality Act 2010², to ensure that services are inclusive and accessible to a diverse range of customers. Equalities data is collected to enable uptake of services to be monitored, and any barriers faced by groups to be identified and addressed.

The equalities data within the shared data set is primarily sourced from school management information systems when the initial records are created on CSS. Customer records can subsequently be updated by SDS advisers after discussion with individuals.

As a corporate parent, SDS is committed to treating care experience in the same way as others with protected characteristics. However, in the absence of reliable data, we are currently unable to include care experience within in our analysis.

Gender

Chart 3 shows participation by gender. The results show:



- The participation rate for females was 93.9% in 2025 compared to 93.2% in 2024, and the participation rate for males was 92.8% in 2025 and 92.3% in 2024.
- This trend of the participation rate being higher for females than for males has been the case for each year of the annual participation measure.
- The gender participation gap is now 1.1 pp, compared to 0.9 pp in 2024.

Females were more likely than males to be participating in education (75.9% vs. 65.3%), while males were more likely to be in employment (24.9% vs. 16.2%). Males also had a higher rate of being unemployed and seeking work (2.3% vs. 1.6%), whereas females were slightly more likely to be unemployed and not seeking work (2.1% vs. 1.8%).

100% Female Male All 16-19 Year Olds 93.3% 95% 92.2% 92.4% 92.6% 92.7% 90% 93.2% 93.2% 93.3% 93.2% 93.9% 92.1% 92.3% 91.6% 91.2% 85% 80%

2023

2024

2021

2022

Chart 3: Participation by Gender, 2021 – 2025

2025

² https://www.gov.uk/guidance/equality-act-2010-guidance

Ethnicity

Chart 4 shows participation by ethnicity. The results show:



- The participation rate for those from minority ethnic groups was 96.1% in both 2025 and 2024. For those identified as white the participation rate was 93.1% in 2025 and 92.5% in 2024.
- Participation by those from minority ethnic groups was 3 pp higher than those identified as white in 2025. This gap was 3.6 pp in 2024.

Individuals from minority ethnic groups were more likely to be in education (87.6%) compared to those identified as white (68.8%). Conversely, employment rates were higher among those identified as white (22.1%) than among minority ethnic groups (7.2%).

Disability

Chart 5 shows participation by disability. The results show:



- The participation rate amongst those identified as disabled was 89.2% in 2025 and 89.1% in 2024. For those not identified as disabled, the participation rate was 93.5% in 2025 compared to 92.9% in 2024.
- The participation gap between those identified as disabled and not disabled was 4.4 pp. In 2024 this gap was 3.8 pp.

Consistent with previous years, individuals identified as disabled were less likely to be in employment or higher education compared to those not identified as disabled. The difference was most notable in higher education, with a gap of 11.6 pp (8.3% vs. 19.9%), and in employment, with a gap of 7.3 pp (13.8% vs. 21.1%).

Chart 4: Participation by Ethnicity, 2021 - 2025

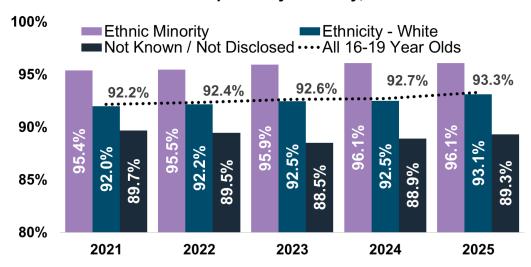
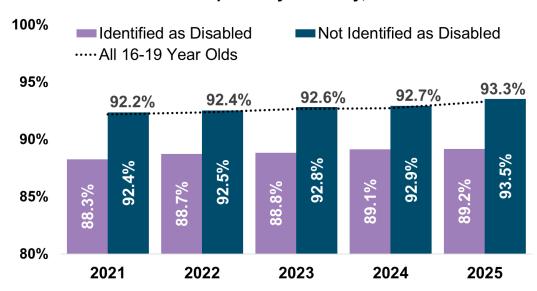


Chart 5: Participation by Disability, 2021 – 2025



4. Participation Rates Across Scotland

Local Authority

Chart 6 provides a breakdown of the 2025 APM headline results by Local Authority. In summary:

- In 2025, twenty-one local authorities had a participation rate at or above the Scottish average. The remaining eleven were below.
- The gap between the highest and lowest participation rates for local authorities was 6.2 pp. In 2024 there was a gap of 7.7 pp.
- The highest participation rate was in the Shetland Islands at 97.5% compared to 97.8% in 2024. Shetland also had the lowest unconfirmed rate among all local authorities at 0.7%—nearly half that of the next lowest, East Renfrewshire (1.4%).
- Dundee City had the lowest participation rate in 2025 at 91.3% compared to 90.5% in 2024.
- Dundee City also recorded the highest non-participation rate, which rose by 0.8 pp to 6.2%. In contrast, Clackmannanshire previously the highest in 2024 at 7.5%—saw its non-participation rate fall to 5.6%, driven by a doubling in the proportion reported in training and other development.
- In 2025, Fife had the highest unconfirmed rate at 3.8%, though this marked a decrease of 0.7 pp since 2024. In 2024, the highest unconfirmed rates were in Aberdeen City and Aberdeenshire, both at 5.4%. These, along with East Ayrshire, saw the largest reductions in unconfirmed statuses, each dropping by 1.9 pp.
- The unconfirmed rate reduced in twenty-seven local authorities from 2024 to 2025, and increased by 0.2 pp in Dumfries & Galloway, Midlothian, Shetland Islands and West Lothian.

Chart 6: 2025 Participation Headlines by Local Authority

8	0% 85% 90%		90%	95%		100%	
Shetland Islands	97.5%					1.9%	
East Renfrewshire	97.2%				1.	<mark>5%</mark> 1.4%	
East Dunbartonshire	96.7%				1.1%-	2.1%	
Eilean Siar	96.2%				2.2	<mark>%</mark> 1.6%	
South Ayrshire	95.6%				2.4%	2.0%	
Scottish Borders	95.3%				2.8%	1.9%	
Stirling	95.1%				3.4%	1.5%	
Highland	95.0%				2.7%	2.2%	
East Lothian	94.8%				3.5%	1.7%	
Argyll & Bute	94.6%				3.7%	1.6%	
Orkney Islands	94.4%				2.7%	2.9%	
Moray	94.3%				3.6%	2.1%	
Dumfries & Galloway	94.3%				3.7%	2.0%	
South Lanarkshire	94.0%			3	.6%	2.4%	
Edinburgh City	93.9%			3	.0%	3.1%	
Midlothian	93.9%			3.	8%	2.4%	
Perth & Kinross	93.7%			3.0	6%	2.7%	
Aberdeenshire	93.6%			2.9	9%	3.5%	
Renfrewshire	93.5%			3.1	%	3.4%	
East Ayrshire	93.5%			4.7	%	1.9%	
Inverclyde	93.4%			5.0	%	1.7%	
Falkirk	92.8%			4.4%		2.9%	
West Lothian	92.5%			4.4%		3.1%	
North Ayrshire	92.5%			4.0%		3.5%	
North Lanarkshire	92.2%			4.5%		3.3%	
Clackmannanshire	92.0%			5.6%		2.5%	
Aberdeen City	91.9%			4.6%		3.5%	
Glasgow City	91.6%		5.1%			3.3%	
Angus	91.5%	5.5%			3.1%		
West Dunbartonshire	91.4%		5.	.6%		3.0%	
Fife	91.4%			.8%		3.8%	
Dundee City	91.3%	-4 Davidialia	6.	2%		2.5%	

■ % Participating
■ % Not Participating
■ % Unconfirmed Status

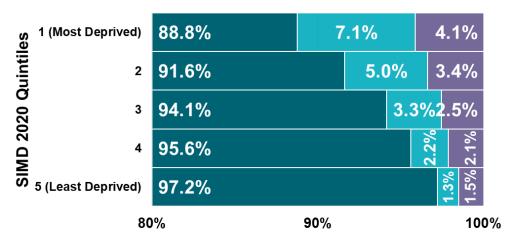
Scottish Index of Multiple Deprivation (2020)

Chart 7 provides an overview of 16–19-year-old participation by SIMD (2020) quintiles. **Chart 8** shows that the participation gap between those living in the 20% most deprived areas and those in the 20% least deprived areas was 8.4 pp in 2025.

- The participation rate in 2025 for those from the 20% most deprived areas was 88.8%, compared to 88.4% in 2024 and 87.1% in 2021.
- The participation rate in 2025 for those from the 20% least deprived areas was 97.2%, compared to 96.6% in 2024 and 96.4% in 2021.
- The participation gap between those from the 20% most deprived and 20% least deprived areas was 8.4 pp. The gap between these groups was 8.2 pp in 2024 and 9.3 pp in 2021.
- 16–19-year-olds from the least deprived areas (quintile 5) are more likely to be in education (81.3%) compared to 64.5% for those from the most deprived areas (quintile 1), a difference of 16.8 pp. In 2024 this education participation gap was 16.6 pp.
- Individuals near the middle of the SIMD scale have higher rates of participation in employment than those from either the most deprived or the least deprived areas. In 2025, 23.8% of individuals from Quintile 3 were in employment, compared to 20.7% in Quintile 1 and 15% in Quintile 5.

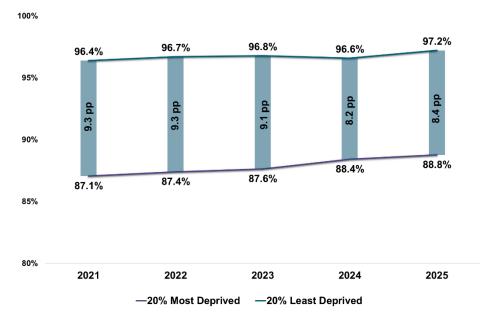
Data within the <u>supplementary tables</u> provides further information regarding participation amongst SIMD quintiles.

Chart 7: 2025 Participation Headline by SIMD (2020) Quintiles



■ % Participating ■ % Not Participating ■ % Unconfirmed Status

Chart 8: Participation Gap Between 20% Most Deprived Areas and 20% Least Deprived Areas (Percentages)



5. Analysis of those Not Participating

Those identified as not participating are unemployed (either unemployed seeking or unemployed not seeking). The unemployed and seeking group are those who are known to SDS to be actively seeking employment, education, or training. These may include individuals who are not accessing Department for Work and Pensions services or benefits (e.g., 16- and 17-year-olds can only claim UC in specific circumstances).

Deprivation



Those 16- to 19-year-olds who were unemployed seeking or unemployed not seeking were concentrated in the most deprived areas - around two fifths of both unemployed seeking (42.6%) and unemployed not seeking (39.5%) lived in areas ranked within the 20% most deprived areas in Scotland.

Urban / Rural



16- to 19-year-olds who were not participating were disproportionately living in urban areas. Although those living in urban areas accounted for 71.1% of the overall APM cohort, 79% of those unemployed seeking and 74.5% of those unemployed not seeking lived in urban areas.³ This is consistent with previous years.



Collectively, Glasgow City, Fife and North Lanarkshire accounted for 24.8% of the 16-19 population from the 2024 mid-year population estimate.4 By contrast, 32.2% of the national total of unemployed seeking lived in these council areas, remaining disproportionately high and an increase from 30.2% in 2024. The proportion of unemployed not seeking (27.6%) was also slightly higher than the population.

Gender



The gender composition of the unemployed seeking cohort differed.

Males accounted for 51.4% of the overall APM cohort, however, three out of five of those unemployed seeking were male (61.1%). This split is consistent with previous years.

Females were more likely to be unemployed not seeking, accounting for 52.4% of those in these statuses but 48.5% of the overall APM cohort.

Note to Readers



From late summer 2021, SDS began to receive individual level data about people claiming Universal Credit. This has improved data quality for those out of work. The figures for unemployed seeking young people aged 18 or 19 for the years prior to 2022 should be treated with a degree of caution. See Appendix 1.

Local Authorities

³ Background to Scottish Government's Urban Rural Classification.

⁴ https://www.nrscotland.gov.uk/publications/mid-2024-population-estimates/

Chart 9 shows that between 2024 and 2025, the proportion of individuals who were unemployed and seeking employment increased for 17-, 18- and 19-year-olds. The rate increased by 0.2 pp for 18-year-olds and increased by 0.5 pp for 19-year-olds. For all 16–19-year-olds this resulted in an overall increase of 0.2 pp.

• 19-year-olds represented the largest share of those who were unemployed and seeking work, accounting for 47.3%. When combined with 18-year-olds, these two age groups made up over three-quarters (78.2%) of the total 'unemployed seeking' group.

Chart 10 shows that between 2024 and 2025, the proportion of 16–19-year-olds not seeking employment remained static.

- The largest increase was in the 17-year-old age group, increasing by 0.2 pp.
- Among those who were unemployed and not seeking work, 19-year-olds made up the largest share at 39.3%. When combined with 18-year-olds, these two age groups accounted for 73.4% of the total in this category.

Chart 9: Percentage Unemployed Seeking Employment or Training by Age, 2021- 2025

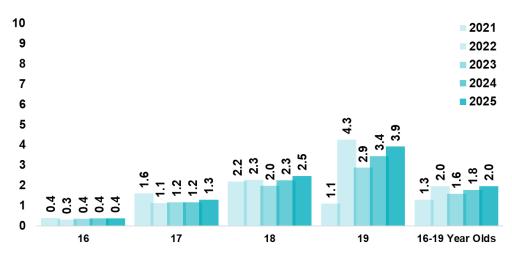
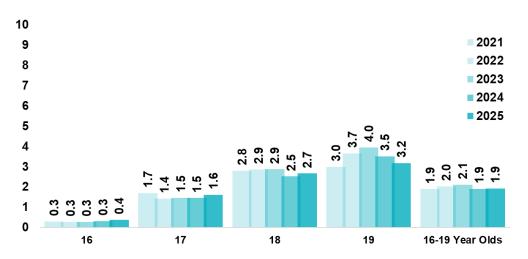


Chart 10: Percentage Unemployed NOT Seeking Employment or Training by Age, 2021 - 2025



6. Analysis of those with an Unconfirmed Status

The number of individuals in 2025 with an unconfirmed status was 6,368 (2.8%) and by comparison in 2024 this was 7,924 (3.6%).

Using HMRC data, the unconfirmed total was reduced by 2,184. This was a 25.5% reduction in unconfirmed statuses in the 2025 cohort compared to the data pre-HMRC.

Chart 11 shows how the percentage of 16–19-year-olds with an unconfirmed status varied between 2020 to 2025.

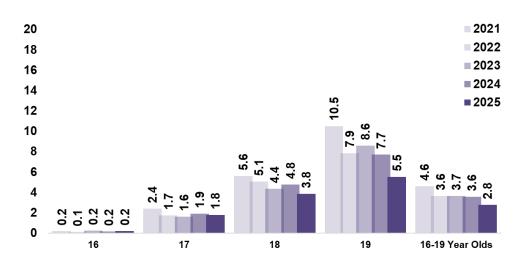
- The percentage of 16- to 19-year-olds with an unconfirmed status fell by 0.8 pp from 2024 to 2025 to 2.8%.
- The proportion of unconfirmed statuses fell within the 17-, 18and 19-year-old age groups. The largest decreases in unconfirmed statuses were in the 19- and 18-year-old age groups. These fell by 2.2 pp and 0.9 pp, respectively.
- 19-year-olds made up the highest proportion of individuals with an unconfirmed status, at 47.2%. This trend has remained consistent across all years of the Annual Participation Measure.

Further information regarding those with an unconfirmed status can be found in the <u>supplementary tables</u>.

As in previous year, an unconfirmed status was more common amongst males than females.

Individuals with an unconfirmed status were disproportionately represented in areas of higher deprivation. While 22.6% of the overall Annual Participation Measure (APM) cohort lived in the 20% most deprived areas of Scotland, this figure rose to 33.5% among those with an unconfirmed status.

Chart 11: Percentage with an Unconfirmed Status by age, 2021 - 2025



Note to Readers



Individuals within the shared dataset whose predominant status is 'unconfirmed' within each year, means that despite multi-partner data sharing and tracking of individuals, as part of service delivery, it has not been possible to identify full status information.

Since January 2025, SDS has received HMRC data for statistical purposes only, which has reduced the number of 16–19-year-olds in an unconfirmed status within the APM 2025.

In the years prior to 2022, the absence of Universal Credit data may also have had an impact on those with an unconfirmed status. (See Appendix 1)

7. Further Resources

Further resources are available on the Annual Participation Measure webpage:

- The publication's <u>supplementary tables</u> provide a breakdown of the Annual Participation Measure by different characteristics including age, gender, ethnicity and disability and by different geographies including local authority and SIMD.
- An <u>interactive PowerBl report</u> has been created to complement this publication. This provides similar breakdowns to the supplementary tables in a visual format.
- Background notes outlining the annual participation methodology and the sources of data are available on the APM webpage.

Next Publication:

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The next Annual Participation Measure will be published in August 2026

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Appendix 1: Use of HMRC data and Universal Credit data

From January 2025, HM Revenue & Customs (HMRC) has shared data with SDS for statistical purposes, providing employment records for 16–24-year-olds in Scotland. This data, sourced from HMRC's Real Time Information (RTI) system, is submitted by employers each time they pay an employee and includes details such as payment amounts, deductions, and employment dates.

Skills Development Scotland (SDS) received a limited dataset from HMRC, including individual identifiers (name, date of birth, gender, and postcode), employment episode records with start and end dates, and—where available—an indication of working hours. The start date was based on either the employer-supplied start date or, if unavailable, the date of the first payment. The dataset covered the full year from 1 April to 31 March and included individuals who were employed before 1 April 2024 and remained employed on that date, as well as new entrants and leavers from 1 April 2024 onward.

This HMRC data was merged with the shared dataset used for the Annual Participation Measure (APM), which includes status information from key delivery partners such as local authorities, colleges, the Department for Work and Pensions (DWP), and the Student Awards Agency Scotland (SAAS). The integration was carried out specifically to create a bespoke APM 2025 dataset.

Each status line within the dataset was reviewed and updated to incorporate HMRC employment data. This included aligning start and end dates with HMRC records and updating participation statuses accordingly. Approximately 1.4% (3,175) of records within the APM cohort were revised based on HMRC data. In cases where HMRC confirmed that employment had ended and no other status update existed on CSS, then status days were updated to "unconfirmed."

Universal Credit data

Since 2014, the Department for Work and Pensions (DWP) has been a key data-sharing partner with Skills Development Scotland (SDS), providing information on individuals aged 18 and over who were in receipt of Job Seekers Allowance (JSA), Employment and Support Allowance, and Income Support. These benefits were gradually replaced by Universal Credit (UC), with the rollout completed by December 2018. However, SDS did not begin receiving UC data until late summer 2021.

Since the inclusion of UC data in 2022, the quality of shared data has notably improved, especially in relation to unemployed and unconfirmed statuses among 18- and 19-year-olds. With UC data there is a more comprehensive picture of young adults who are out of work—both those actively seeking employment and those not seeking. Additionally, UC data has helped identify individuals who are employed but also receiving Universal Credit.

Prior to 2022, the lack of UC data could have affected several categories, including, unemployed seeking, unemployed not seeking, employment and unconfirmed. As a result, headline classifications—participation, non-participation, and unconfirmed—were directly impacted.

In collaboration with DWP, SDS provides localised support to young unemployed individuals. This approach helped to maintain accurate records of young adult's circumstances. Although, SDS support is available to all it is primarily delivered to those aged 16 to 18½, which helped mitigate the impact of missing UC data in the years prior to 2022.